

भारतीय प्रौद्योगिकी संस्थान (भारतीय खनि विद्यापीठ), धनबाद  
**Indian Institute of Technology (Indian School of Mines), Dhanbad**

**ENDOWMENT GUIDELINES**

1. Key features of the Endowment Fund for the purpose of mobilizing donations and contributions from well-wishers, alumni, industry and philanthropists are as follows:

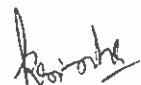
IIT(ISM) Dhanbad proposes to continue the existing bank account in the name of IIT(ISM) Alumni Fund, which has the provision for exemption under section 80G of Income Tax, for endowment purposes where donations from alumni, industry (including CSR donations) and philanthropists will be received.

This account will receive following types of donations:

- A. Project related endowment donations:** The principal amount of the donation (and any earnings thereon) is will be spent on specific activities for which the donations/endowments are received.
- Such donations may be from an individual Alumnus of the institute as well as from the Alumni batches of a particular branch or year or from an Alumni Chapter.
  - Such donations may be for a specific objective like construction of a building, classroom, laboratory or any other infrastructure of the institute.
  - There will be naming rights of the individual donor or collective donors like a batch of alumni of a particular year or branch/ alumni chapter as per the specific agreement / MoU for such project related donations.
- B. Endowment donations with a corpus:** 90% of the annual earnings on the principal amount of the corpus will be spent for specified activities for which the donations/endowments are received.
- The minimum amount for endowment donations with a corpus is Rs 10 lakhs.
- C. Term Endowment donations:**
- The minimum amount for the term endowment donation is Rs. 5 lakhs with a maximum tenure of 10 years. However, the endowment tenure may be increased proportionately depending on increased endowment donations.
  - The principal amount and interest earned shall be spread equally over the tenure of the endowment in the following manner:

Interest calculated @ 5% per annum\* on reducing balance and the principal amount shall be divided in such a manner that the amount available for making the expenditure on the specified objective remain equal for all months for the entire term of the endowment.

[\*subject to change with the approval of the Competent Authority]



**D. Annual Funding for Awards/Scholarships/ Financial Grant for specific purpose such as ISMAANA Merit-cum-Means Scholarships, SANDVIK Scholarships, IMTR Awards:**

- Funds will be received annually and disbursed to the eligible recipients of scholarships / awards as per the eligibility criteria under the specific agreement between the Institute and the Donor.
- The value of each of such award/scholarship shall be more than Rs. 50,000/- with a total value of at least Rs. 5 Lakhs over a period of 5 years.

**E. Endowment donations for Chair Professors**

It is proposed that endowment may be received for instituting the position of Chair Professors under such endowment fund received from an individual / alumni or from a corporate house.

There will be two types of such endowment:

- I. Endowment donations with corpus:** A minimum corpus amount for a specific minimum tenure will be received from the donor(s) for instituting the position of Chair Professor.

There will be three categories of such Chair Professors:

**a. Distinguished Chair Professor**

- This corpus is intended for distinguished global academic / researchers as **Distinguished Chair Professor**
- The minimum amount of such Corpus Endowment for Distinguished Chair Professor is Rs. 10 crores for a minimum tenure of five years
- The earnings (or a fraction of earnings) on the corpus will be spent every year for the engagement (Salary, Allowances etc.).

**b. Institute Chair Professor**

- This corpus is intended for internal faculty members of the institute as **Institute Chair Professor**
- The minimum amount for such Corpus Endowment for Institute Chair Professor is **Rs. 50 Lakhs** for a minimum period of **five years**.

**c. Visiting Chair Professor:**

- This corpus is intended for Leading academic / researcher / industry experts as **Visiting Chair Professor**
- The minimum amount for such Corpus is Rs. 3 Crores for a minimum tenure of five years.
- The earnings (or a fraction of earnings) on the corpus will be spent every year for the engagement (Salary / Allowances).

## **II. Term endowment donations for Chair Professors:**

- Total endowment amount has to be deposited at the beginning of the tenure and the minimum tenure shall be five years.
- The amount of such Endowment shall be such that the salary /allowances etc. for the engagement of the Chair Professors are paid for the entire tenure of the endowment from the endowment fund and part of earnings thereon.
- The entire endowment donation is exhausted over the endowment tenure.
- The principal amount and interest earned shall be spread equally over the tenure of the endowment in the following manner:

Interest calculated @ 5% per annum\* on reducing balance and the principal amount shall be divided in such a manner that the amount available for making the expenditure on the specified objective remain equal for all months for the entire term of the endowment.

{\*subject to change with the approval of the Competent Authority}

### **F. General Donations:**

The donations received without any specified purpose shall be utilized for the development of the Institute.

## **2 Other terms & conditions:**

- 2.1 10 % of the earnings on the corpus or term endowment fund of all categories will be transferred to Alumni Fund to meet the administrative and other miscellaneous expenses on the management of the endowment fund.
  - 2.2 The corpus amount of any endowment fund is non-refundable.
  - 2.3 The existing term endowments and corpus endowments shall continue as per the existing terms & condition of the endowments.
  - 2.4 Donations (endowment or project) may be received for specific purposes like Scholarships/ Awards, Chairs, Infrastructure Development etc. Donations (endowment or project) may also be received for the broad purpose of developing the Institute infrastructure, without any further restrictions.
  - 2.5 Foreign Donations should comply with RBI, Ministry of Finance and Government guidelines issued from time to time.
3. Separate accounting shall be maintained for each subhead within the IIT(ISM) Alumni Fund bank account. It would include complete transaction of funds in the account right from inflow till end-product outflow.
  4. The Endowment fund will be governed by an Endowment Advisory Board (EAB). The EAB shall be chaired by the Director and would include members from donors and well-wishers of the Institute as well as Institute faculty and also nominees from IIT(ISM) alumni associations/chapters.



Endowment Advisory Board (EAB) for governance of Fund:

- Director, IIT (ISM), Dhanbad :Chairperson
  - Deputy Director, IIT (ISM), Dhanbad :Member
  - Dean (IRAA), IIT(ISM), Dhanbad :Member
  - President, IIT(ISM) Alumni Association :Member
  - Two members nominated by the Director from active Alumni Chapters  
(one from Abroad and one from India Chapter) : Member
  - Associate Dean, Alumni Affairs, IIT(ISM) Dhanbad :Member Secretary
5. In order to accelerate fund raising, Chief Executive (Corporate & Alumni Affairs) working as “Alumni Relation Fund Manager” may be appointed on contract who will be assisted by one finance executive (appointed on contractual basis)
  6. The estimated financial implication for engaging the Chief Executive (Corporate & Alumni Affairs) is approx. Rs. 36 lakhs per annum, which will be met from alumni fund.
  7. Performance of the Chief Executive (Corporate and Alumni Affairs) will be reviewed on quarterly basis. EAB may also recommend incentive on the performance of the Chief Executive (Corporate and Alumni Affairs). This will be reported to FC/BOG from time to time.
  8. Donations received from donors will be tax exempted in India under section 80G of IT Act. A Receipt will be sent to the donors for claiming Tax Exemption.

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